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B-190891 FILE:

DATE October 2, 1978

MATTER OF: Elijah Crawford - Claim for Real Estate Expenses

DIGEST:

Employee was reassigned to new duty station not to exceed 8 months, and was permanently reassigned 6% months later. Claim for real estate expenses incurred within 2 years from date of permanent reassignment may be allowed.

This action is in response to a request for an advance decision from H. O. Miller, accounting and finance officer, Defense Logistics Agency (DLA), reference DASC-MF, concerning the claim of Mr. Elijah Crawford, a DLA employee, For reimbursement of real estate expenses incurred in connection with a transfer of official duty station. The request was forwarded to this Office by the Fer Diem, Travel and Transportation Allowance Committee (PDTATAC Control No. 77-36).

The administrative report indicates that Mr. Crawford was transferred from St. Louis, Missouri, to Alexandria, Virginia, and was ordered to report for duty at his new duty station on October 21, 1974. Mr. Crawford was transferred for the purpose of replacing an employee who was on temporary duty for long-term training; he was advised of the temporary nature of the assignment; and he was advised he would return to St. Louis at the conclusion of the assignment. The temporary nature of the assignment has also made clear in Mr. Crawford's Notification of Personnel Action, SF-50, which described the action as "Resssignment - Temp NTE 06-27-75" and which noted that he had reemployment rights in St. Louis.

The travil orders issued October 15, 1974, in connection with this transfer authorized "only" travel expenses for Mr. Crawford and his family and shipment of his household goods. However, effective May 4, 1975, Mr. Crawford was reassigned permanently to Alexandria, and his original travel orders were amended to authorize reimbursement for real estate and miscellaneous expenses. Mr. Crawford sold his residence at his old duty station in St. Louis on November 29, 1976, and purchased a residence in Alexandria on April 15, 1977, and he has claimed real estate expenses in the amount of

\$71.50 in connection with the two transactions. The accounting and finance officer questions whether the claim may be paid in light of the requirement that residence transactions be completed within 2 years from the date of the employee's transfer and the fact that these two transactions were completed more than 2 years from the date of Mr. Crawford's original transfer, October 21, 1974.

The administrative report from DLA states that although Mr. Crawford's assignment in Alexandria had some of the characteristics of a temporary duty assignment considering the rature of the assignment and its duration, the decision was made to permanently change his duty station, apparently because a permanent change of station was considered to be less costly than a temporary duty assignment. Under these circumstances, the agency believes the 2-year period for settlement of real estate transactions should have begun on May 4, 1975, with the result that these residence transactions were completed within required 2-year time period.

The authority for reimbursement of real estate expenses incurred by an employee pursuant to a transfer of official duty station is contained in 5 U.S.C. 5724a (1976) and the Federal Travel Regulations (FTR) (FPMR 101-7) (May 1973). Under the applicable provisions of the FTR, agencies have discretion in authorizing reimbursement for certain expenses incurred in connection with a transfer of duty station such as househunting trips and subsistence while occupying temporary quarters. See FTP paras. 2-4.1 and 2-5.1. However, with respect to other allowances such as miscellaneous expenses and expenses incurred in connection with residence transactions, the regulations contemplate that these allowances will be allowed uniformly to transferred employees. See FTR paras. 2-3.2 and 2-6.1. The regulations also require that the settlement dates for the sale and purchase transactions must be completed within 2 years after the date the employee reported for duty at the new official duty station. See FTR para. 2-6.1e. In this instance, the agency evidently did not recognize that having determined that there was a transfer of station for travel purposes, entitlement to real estate expenses would be mandatory. Also the temporary nature of the assignment reflected in the personnel document and "permanent" transfer concept of the travel orders clearly resulted in divergent liews as to the nature of the as signment.

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Under the particular circumstances of this case, including the apparent confusion as to Mr. Crawford's entitlements, we do not believe that the date he originally reported to Alexandria need be used in applying the time limitation contained in FTR para. 2-6.1e. Rather, the date of transfer for the purposes of applying the time limit for the purchase and tale of residences may be considered to be the date on which lir. Crawford was assigned to a permanent position in Alexandria, May 4, 1975.

Accordingly, Mr. Crawford's claim may be allowed if otherwise correct.

Deputy Comptroller General of the United States